

AMSELCO EXPLORATION INC.

MEMORANDUM

To: File

Date: August 10, 1983

From: P. W. Prescott *Buzz*

Subject: Dorn Land - Red Hill/Barite Hill, South Carolina

cc: Harry Lane
Richard Kazda
Pete Evans
W. L. Gunter

Bill Gunter, Kenny Martin, and I met with Mr. J. G. Dorn in McCormick on August 3. Our discussion was to revolve around leasing Mr. Dorn's property and to ask questions about title problems he may have. We found out there were definite problems that needed to be resolved before Amselco would want to deal with him.

The Dorn family has owned the land for a number of years. The land has been, at times, traded back and forth within the family. There are ownership problems that will need to be resolved since Mr. Dorn's brother died. It is possible that some of James Dorn's children now have an interest in the property.

A major problem with the property is the possibility of the option to purchase section of the Bullen lease still being enforceable. With an option payment paid at execution, Morin and Bullen may still have an option through 1991 to buy the land at \$2,500 per acre. With this cloud hanging over the agreement, even though Mr. Dorn has received no rental payments in two years, we thought it best to have Dorn get a release from Morin and Bullen. (A release is being prepared.)

Another major problem may be the tax liens on the property. Dorn's attorney is also preparing a list of these liens and amounts. They will be double-checked in the courthouse.

Once we have a release on Dorn's land and an indication of how the liens will affect us, we can proceed with a lease agreement.

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